

# Regular Board Meeting Minutes

January 8, 2024

**Approved February 12, 2024**

President Zach Forcum called the Regular Meeting of the Steamboat II Metropolitan District to order at 5:58 pm. The meeting was held at the Steamboat II Metropolitan District office at 2851 Riverside Plaza unit 100, Steamboat Springs, CO. Members present were Rick Boyle-Vice President, Brad Setter-Vice President of Operations, Richard Sterling-Treasurer and Kelly Conway-Secretary. Also present were Jeremy Kline-Parks & Rec Supervisor and Michelle Belton, who recorded the meeting and transcribed the minutes. Briana DeLong, Kim Chiampa, Bob & Margi Huron and Carol Ward were also present.

## PRESENTATION OF MINUTES OF THE LAST MEETING

Mr. Boyle motioned to accept the minutes from December 18, 2023. Mr. Sterling seconded. Passed 4/0.

## PUBLIC COMMENT

Margi Huron asked if the board was able to reduce the mill levy for 2024. President Forcum explained that we are not to at this time because of two reasons. The District had a major infrastructure failure in 2022 that resulted in a reduction to the District's reserves fund by over \$500,000. The second reason is a bulk water rate increase that tripled in 2023. The District has yet to complete a rate study, but will need to, to compensate for the water rate increase. Mrs. Huron asked if the District could consider recouping the fund reserves over a course of several years, instead of just one. Mrs. Belton interjected that the current budget is so tight that only \$80,000 will be put back into reserves, and that was primarily due to a recent staffing change.

Mr. Huron asked about Mr. Baker's status. Mr. Forcum explained that Mr. Baker resigned. Mr. Huron asked about the future management of the District to which Mr. Forcum explained would be discussed later tonight.

Mr. DeLong commented that the District's employee Forrest is "the hardest working man I've ever seen." The board agreed and stated that it does not go unnoticed.

Mrs. Ward asked if there were plans to redo the lights at the Steamboat II entrance. Mr. Kline said he has already spoken to an electrician about options.

Mrs. Huron asked if the District board was full. Mr. Forcum said all director seats are full at this time. She then asked if the District could be more transparent when the election comes up again. Mrs. Belton explained that all notices are posted in the legals section of the newspaper, the front office, the eleven message boards within our District (in each subdivision) as well as the Routt County Clerk and Recorder and on the District's website. Mrs. Belton added that the next election is not until May of 2025. Mrs. Huron suggested adding something on the monthly bills.

Mrs. Ward asked the board to please update the District's website with current board member info.

Mrs. Chiampa wanted to make sure the snowcat operator was taking care not to scratch Silver Spur's new pavement when it crosses the streets.

*Approved 4/0*

## ATTORNEY'S REPORT

Mrs. Belton provided a letter to the board regarding Mr. Tremaine's response to the role of the District Manager. The board could re-structure the roles and titles as is needed, but noted changes would need to be made to the service plan. He also noted that current IGA's may need to be reviewed, as they may include references to the "District Manager".

## MANAGER'S REPORT

### ❖ WATER AND SEWER

Water loss for December was 131%. Mr. Kline says there is a significant leak in Steamboat II, but it is not surfacing. American Leak Detection was on site last week and alerted Mr. Kline to three leaks. Native Excavating was on site a few days later and exposed the main roughly 30 feet but could not find a leak. Mt. Werner met with Mr. Kline on site and used their fluoride detector as it is more accurate than a chlorine residual. They found significant fluoride levels, indicating the source was close. American Leak Detection will return this week free of charge to relocate the one area that was dug up. Their policy is that they return for free if the water main leak is not found within 10 feet of their markings.

Mr. Kline hired Roto-Rooter out of Craig to jet the sewer main on Anchor Way where a resident suffered a sewer backup into his house which was due to tree roots in the main sewer line.

Central Electric is gathering information for Mr. Kline on the best option for lights at the Steamboat II entrance. The current lights are old, and updating just the bulbs to led's proved to be unsuccessful as they would quit working after a brief time.

Mr. Kline has been working with the District's new water operator, Scott Smith. One violation the District received was for some repairs that needed to be completed on the water tank. The crew will go up this week to finalize those repairs.

Because the District's water loss is so high, Mr. Baker said he is going to hire American Leak Detection to provide us with a leak survey for all of Steamboat II. Mr. Setter asked if the survey would tell how much water is leaking? Or where the breaks are? Mr. Kline said it should show "where" the leaks are. Mr. Forcum recommended Mr. Kline get a quote from them when they are here this week.

Mr. Kline has been researching GIS. DiamondMaps.com is designed for smaller water systems. The system is user-friendly and is cost effective at just \$20 per month. A discussion ensued. The board suggested Mr. Kline contact some nearby systems that use it and get their opinion of the software.

Mrs. Belton presented the board with rate study proposals from Carollo Engineers and GettingGreatRates. The board read through each of their proposals and unanimously decided on Carollo Engineers. Mr. Boyle motioned to accept Carollo Engineers' proposal for the rate study, pending confirmation of no conflict of interest. Mr. Sterling seconded. Passed 4/0.

Mrs. Belton relayed that the office front door has been re-keyed.

Mr. Baker has received the necessary paperwork to apply for continuation of insurance at his cost.

Mrs. Belton spoke to the management company regarding a lease on our office space in December. Sara Mendoza indicated that our new lease would make us responsible for propane and electricity, but she did not have specifics on a rent increase. She also indicated that she would get back to us on a new lease. To date, Mrs. Belton has not heard back from her.

### ❖ PARKS AND RECREATION

The decision has been made not to set up the ice rink this year as we are now down an employee.

*Approved 4/0*

Mr. Kline reported that the snowmobile has is repaired. It will continue to groom trails under there is enough snow for the groomer to go out.

## TREASURER'S REPORT

Mr. Sterling motioned to accept the payables for \$121,344.92. Mr. Boyle seconded. Passed 4/0.

## OLD BUSINESS

Mr. Sterling said he reached out to Mr. Griepentrog about the grant funding he was researching. Mr. Griepentrog suggested that the District piggyback with the City of Steamboat on grants. Mr. Forcum asked the board what the appropriate course of action is at this point. Do we hire a grant writer first? Or find grants first? Mr. Kline said he knows to people who might be available grant writers. Mr. Boyle suggested they come to the next meeting to discuss options with the Board. There are two district residents who are grant writers that may also be able to help. Ginger Scott is in Steamboat II. Emily Beyer lives in Heritage Park.

Mr. Setter said he would draft an ad for the District Manager and post it on appropriate posting sites. He recommended we leave it posted for 3-4 weeks. Mrs. Conway suggested that Mt. Werner Water and Morrison Creek Water might have suggestions for operators as well.

## NEW BUSINESS

Mr. Boyle motioned to remove all current signers on all Mountain Valley accounts i.e. the checking account, the CD, the Visa cards and the safety deposit box. He then motioned to add the following signers to said accounts, Zach Forcum, Rick Boyle, Brad Setter, Richard "Jethro" Sterling, Kelly Conway, Jeremy Kline and Michelle Belton. Mr. Setter seconded. Passed 4/0.

## 2024 BUDGET HEARING

Mrs. Belton presented the board with draft copies of the 2024 budget. The board wanted to increase the rate study amount to \$18,000 and remove the money allotted to the District Manager's salary and insurance. The remaining will be put into reserves. Mr. Forcum asked the employees to tighten spending where they could.

Mr. Sterling motioned to approve the budget2 option as presented with discussed changes. Mr. Fuller seconded. Passed 4/0.

Mr. Sterling motioned to approve resolution 24-0108.1 appropriating sums of money. Mr. Boyle seconded. Passed 4/0.

Mr. Sterling motioned to approve resolution 24-0108.2 adopting the budget. Mr. Boyle seconded. Passed 4/0.

## 2023 SUPPLEMENTAL BUDGET

Mr. Sterling motioned to approve resolution 24-0108.3 transferring \$55,000 from the Enterprise Fund Reserves to the Enterprise Fund. Mr. Boyle seconded. Passed 4/0.

Mr. Sterling motioned to approve resolution 24-0108.4, transferring \$25,000 from the General Fund Reserves to the General Fund. Mr. Boyle seconded. Passed 4/0.

## EXECUTIVE SESSION

Mr. Boyle motioned to enter executive session at 8:13 pm.

*Approved 4/0*

The board exited executive session at 8:22. No decisions were made. The executive session was permitted under C.R.S. Sec. 24-6-402 (4) (f) (personnel matters).

## NEXT REGULAR BOARD MEETING

The next Regular Board Meeting has changed to February 12, 2024.

## ADJOURNMENT

Mr. Boyle motioned to adjourn. Mr. Sterling seconded. Passed 4/0.